



First Quarter 2021 Performance

Business & Financial Presentation

May 10, 2021

Forward-Looking Statements

This presentation contains statements that are not historical and that are based on our beliefs and assumptions and on information currently available to us. These statements constitute forward-looking statements within the meaning of the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are subject to known and unknown risks, uncertainties, assumptions, and other factors that could cause actual results to differ materially from our expectations.

Forward-looking statements can be identified by words such as: "anticipate," "intend," "plan," "expect," "believe," "should," "may," "will" and similar references to future periods. Examples of forward-looking statements include, among others, statements regarding Veracyte's expectations for its chief executive officer transition and 2021 financial performance, the use of its tests to improve patients outcomes, Veracyte's anticipated timing of launches of new products in 2021, Veracyte's expectations (financial and otherwise) with respect to the acquisition of Decipher, the availability of Veracyte's testing internationally, Veracyte's total addressable market, the current and future impacts of COVID-19 on Veracyte's business, actions Veracyte has taken, or will take, in response to COVID-19, potential timing for a recovery of Veracyte's business, the catalysts to drive momentum through 2021 and Veracyte's long-term outlook. Forward-looking statements are neither historical facts nor assurances of future performance, but are based only on our current beliefs, expectations and assumptions. These statements involve risks and uncertainties, which could cause actual results to differ materially from our predictions, and include, but are not limited to: the impact of COVID-19 on Veracyte's business and operating results, specifically, and the healthcare system and economy more generally, Veracyte's ability to achieve and maintain Medicare coverage for its tests; the benefits of Veracyte's tests and the applicability of clinical results to actual outcomes; the laws and regulations applicable to Veracyte's business, including potential regulation by the Food and Drug Administration or other regulatory bodies; Veracyte's ability to successfully achieve and maintain adoption of and reimbursement for its products; the amount by which use of Veracyte's products are able to reduce invasive procedures and misdiagnosis, and reduce healthcare costs; the occurrence and outcomes of clinical studies; and other risks set forth in Veracyte's filings with the Securities and Exchange Commission. Factors that may impact these forward-looking statements can be found in Item 1A – "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2020 and in our Quarterly Report for the three months ended March 31, 2021. These forward-looking statements speak only as of the date hereof and Veracyte specifically disclaims any obligation to update these forward-looking statements or reasons why actual results might differ, whether as a result of new information, future events or otherwise.

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Q1 2021 – Key Takeaways



Strong CEO succession plan...



- **Bonnie Anderson** to assume active role as Executive Chairman
- **Marc Stapley** to become Chief Executive Officer



Commercial growth...



- Testing and product revenue of **\$36.1 million**, increased **19%** v.PYQ
- Genomic volume of **14,437 tests**, increased **11%** v.PYQ



Pipeline and Decipher acquisition to accelerate growth...



- **Nasal Swab** pivotal clinical validation to be unveiled at **ASCO**, launch 2H 2021 addressing \$5B market
- Percepta Genomic **Atlas** on track **for 2H 2021 launch**
- **Envisia Classifier on nCounter** for international launch end of 2021
- **Decipher acquisition** closed March 12, 2021 expanding into 7 of the 10 most common cancers in the US; increased TAM by ~\$2B



Financial Strength...



- 2021 Guidance: **\$190-200 million** in 2021 revenue (+65% v.PY at midpoint)
- Gross margins of **~66%**
- Solid cash position of **\$324 million** at March 31, 2021

Veracyte in a position of strength for CEO succession



Marc Stapley
Appointed
Chief Executive Officer

**Aligned vision to transform
healthcare by improving outcomes
for patients all over the world at every
step of their journey in cancer and
other diseases**

- ✓ Powerful strategic global vision
- ✓ The table is set to execute and further build upon our vision
- ✓ Strong track record of execution and well-positioned for growth



Bonnie Anderson
To Become Active
Executive Chairman

Marc Stapley To Become Veracyte CEO

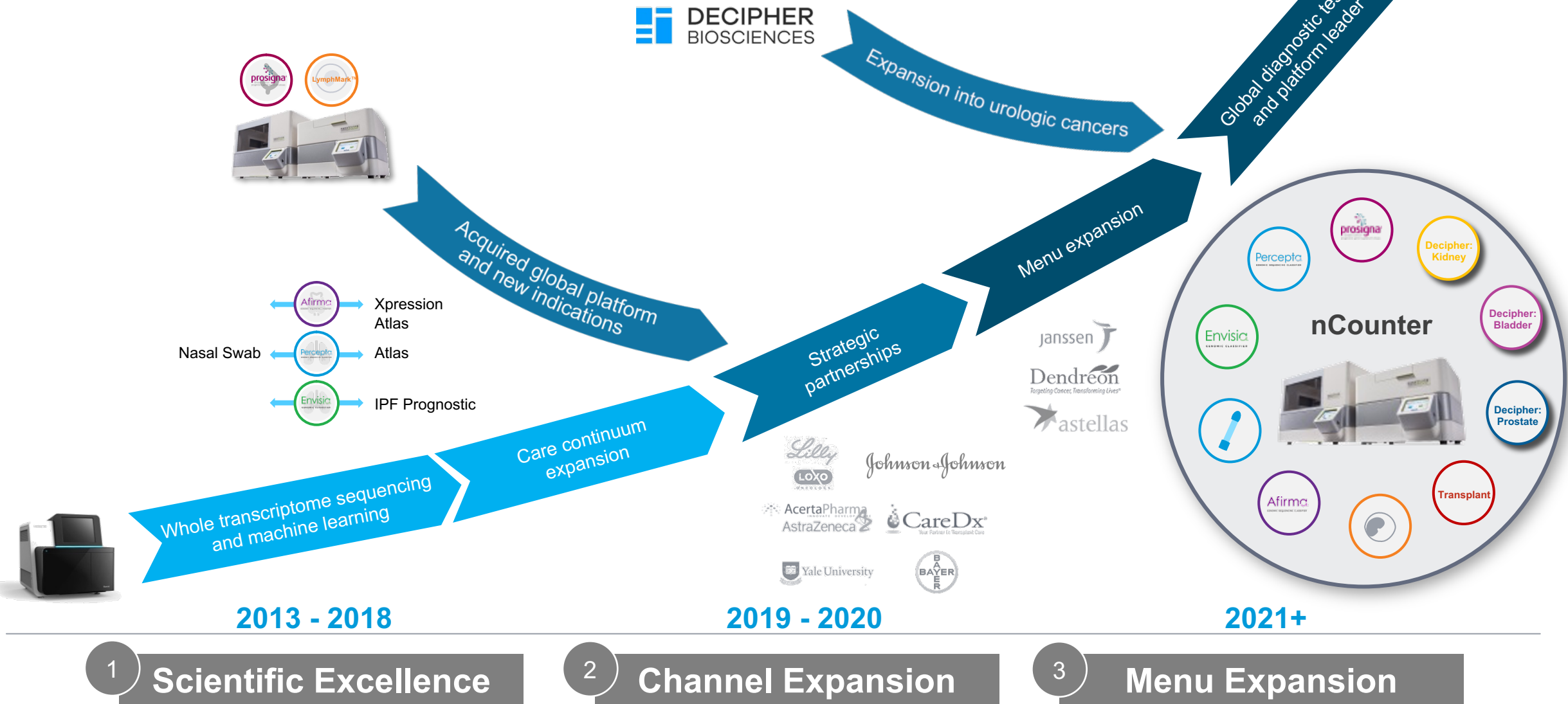
The Right Leader, The Right Experience, The Right Time



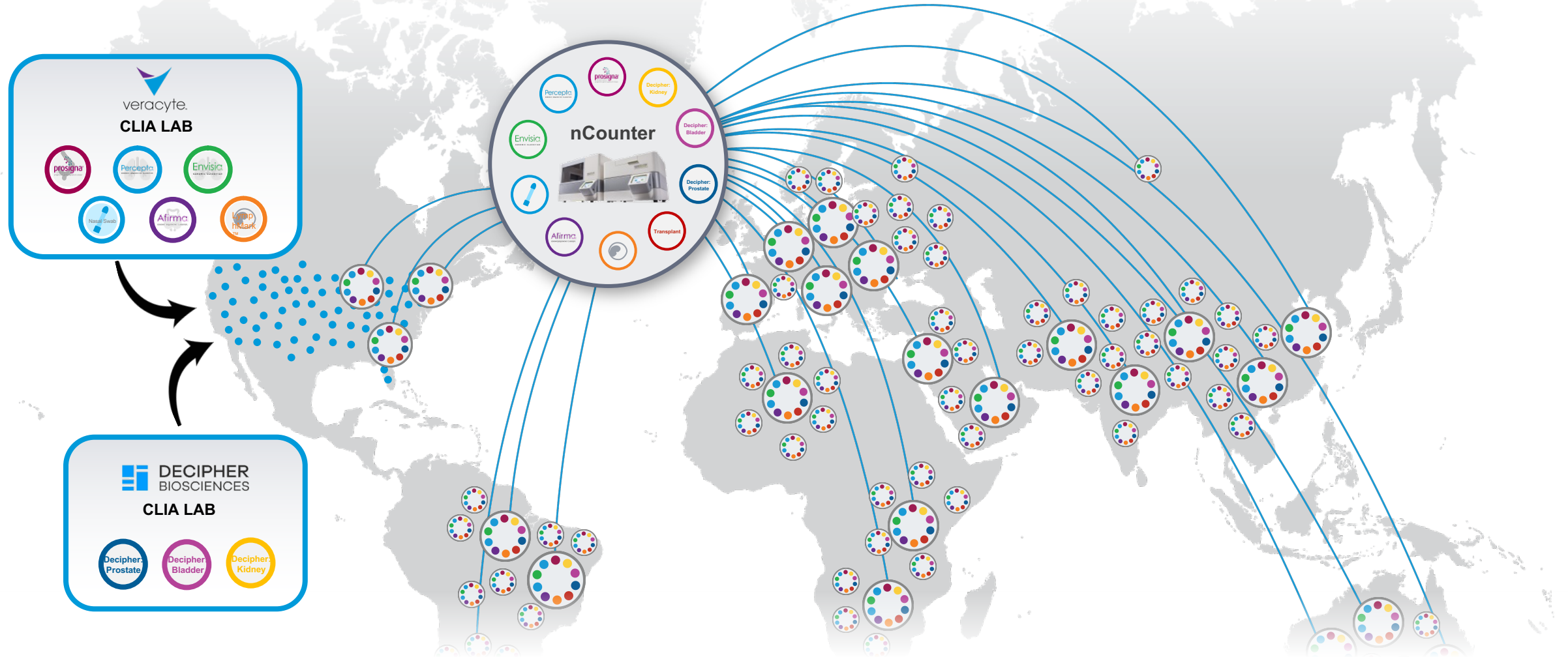
"I look forward to partnering with Bonnie and the entire Veracyte team as we forge ahead with our global expansion plans and improve outcomes for patients all over the world."

- **Shared vision in the power of genomic science and technology**
- **Deep diagnostics/genomics industry experience with proven leadership across strategy, operations and finance**
 - CEO of Helix, established company as a global leader in population genomics and COVID testing
 - 7-year tenure at Illumina with broad executive leadership responsibilities including chief financial officer, chief administrative officer, and executive vice president, where he led many functions including G&A, corporate strategy, business development, population genomics and government affairs.
- **Highly relevant growth experience aligned with Veracyte's strategic growth plan**
 - Building and leading complex global operations
 - Instruments and reagent business model
- **Strong cultural fit**

Positioned for Strategic Growth and Global Expansion



The Table is Set to Execute and Build on Our Global Vision



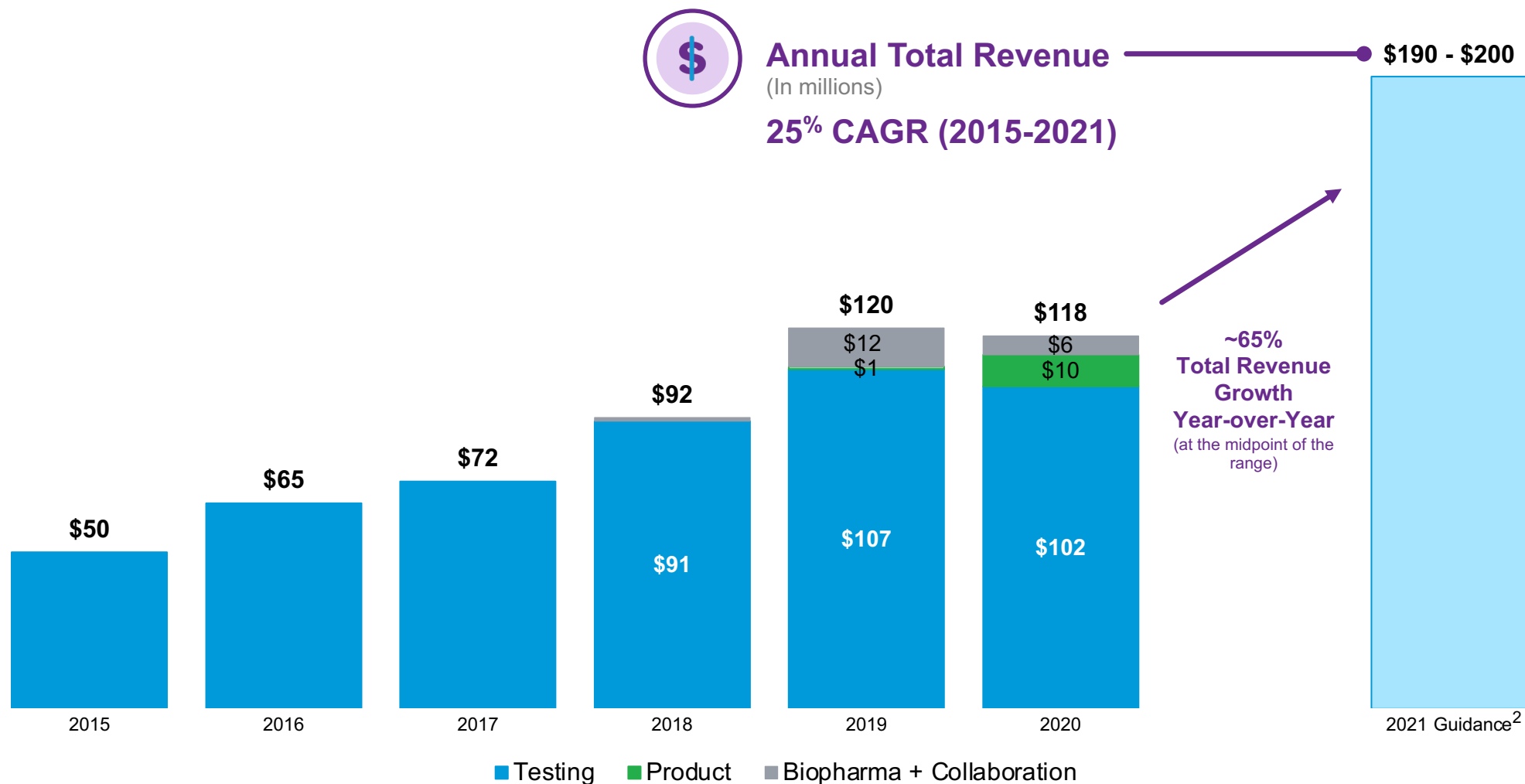
Company estimates

~\$50+ BILLION LONG-TERM GLOBAL TAM

Numerous catalysts to drive 2021 momentum

	Product Launches	Reimbursement Expansion	Key Evidence Development
LUNG CANCER	<ul style="list-style-type: none">✓ Nasal Swab✓ Percepta Genomic Atlas	<ul style="list-style-type: none">✓ Percepta GSC commercial coverage	<ul style="list-style-type: none">✓ Nasal swab<ul style="list-style-type: none">• Clinical validation• Analytical verification✓ Percepta Genomic Atlas<ul style="list-style-type: none">• Analytical verification
ILD/IPF	<ul style="list-style-type: none">✓ Envisia Classifier nCounter	<ul style="list-style-type: none">✓ Envisia commercial coverage	<ul style="list-style-type: none">✓ Envisia nCounter<ul style="list-style-type: none">• Analytical verification
BREAST CANCER		<ul style="list-style-type: none">✓ International coverage expansion	
THYROID CANCER		<ul style="list-style-type: none">✓ Afirma XA and MTC	
PROSTATE CANCER		<ul style="list-style-type: none">✓ Decipher Prostate expanded Medicare indications	
BLADDER CANCER	<ul style="list-style-type: none">✓ Decipher Bladder (commercial expansion)	<ul style="list-style-type: none">✓ Final Medicare LCD	

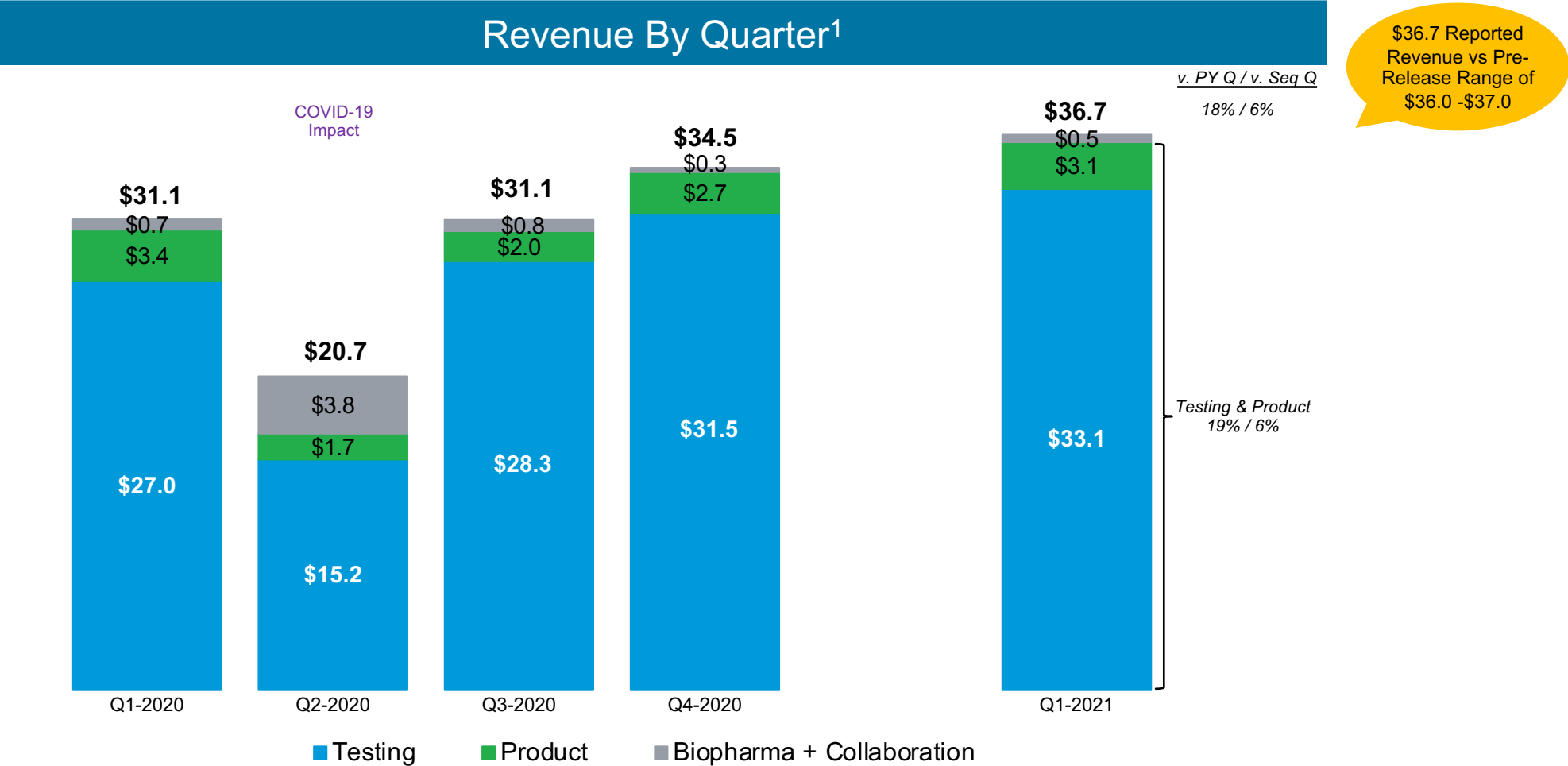
Robust total annual revenue growth driven by expanded sources¹



¹ Testing, Product and BioPharma revenue rounded and summarized as presented.

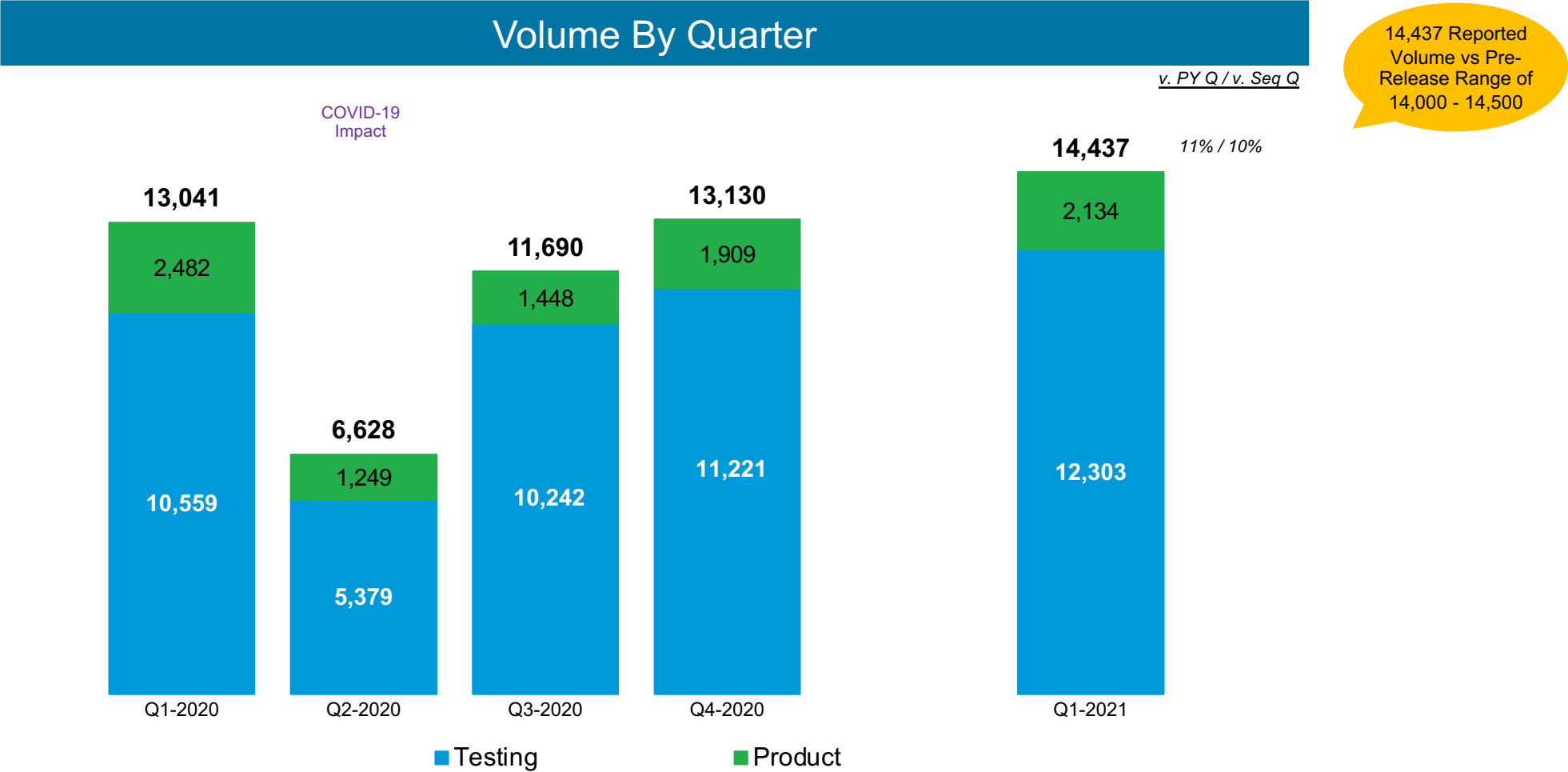
² FY2021 Guidance – Veracyte expects total combined revenue in 2021 to be approximately \$190 to 200 million, representing growth of approximately 65% over 2020 at the midpoint of the range.

Business proving resilient and “U-shape” recovery playing-out



¹ Amounts in millions. Testing, Product and BioPharma revenue rounded and summarized as presented. Variance calculations utilize original (unrounded) data.

Business proving resilient and “U-shape” recovery playing-out



Financial KPIs vs Prior Year – Q1 2021

(In thousands, except Gross Margin and Total Volume)

Benchmark	Revenue		Gross Margin ¹		Operating Expenses (Excludes Cost of Revenue)		Net Loss		Cash Flow from Operations		Total Volume ²	
+ PY Variance - PY Variance	+ PY Variance - PY Variance											
Actuals Q1 2021 ³		\$36,703	66%	\$69,715	-\$41,868	-\$40,561	14,437					
		+\$5,581 +18%	n/a +5%	-\$38,636 -124%	-\$30,151 -257%	-\$35,260 -665%	+\$1,396 +11%					
Acquisition Costs ⁴				\$35,059	-\$35,137	-\$35,137						
Q1 2021 Excluding Acquisition Costs ³		\$36,703	66%	\$34,656	-\$6,731	-\$5,424	14,437					
		+\$5,581 +18%	n/a +5%	-\$3,577 -12%	+\$4,986 +43%	-\$123 -2%	+1,396 +11%					
Prior Year		\$31,122	61%	\$31,079	-\$11,717	-\$5,301	13,041					

¹ Gross margin variance reflects absolute change between prior period.

² Total Volume includes commercial volumes for our Afirma, Percepta, Envisia, and Urology genomic classifiers and Prosigna Breast Cancer Prognostic Gene Signature Assay. Clinical and registry volumes are excluded.

³ Actuals include results from the Decipher Biosciences acquisition as of March 12, 2021.

⁴ Includes \$10.0 million in transaction expenses and \$25.1 million in compensation expense from the acceleration of stock options.

Revenue vs Prior Year – Q1 2021

(In thousands)

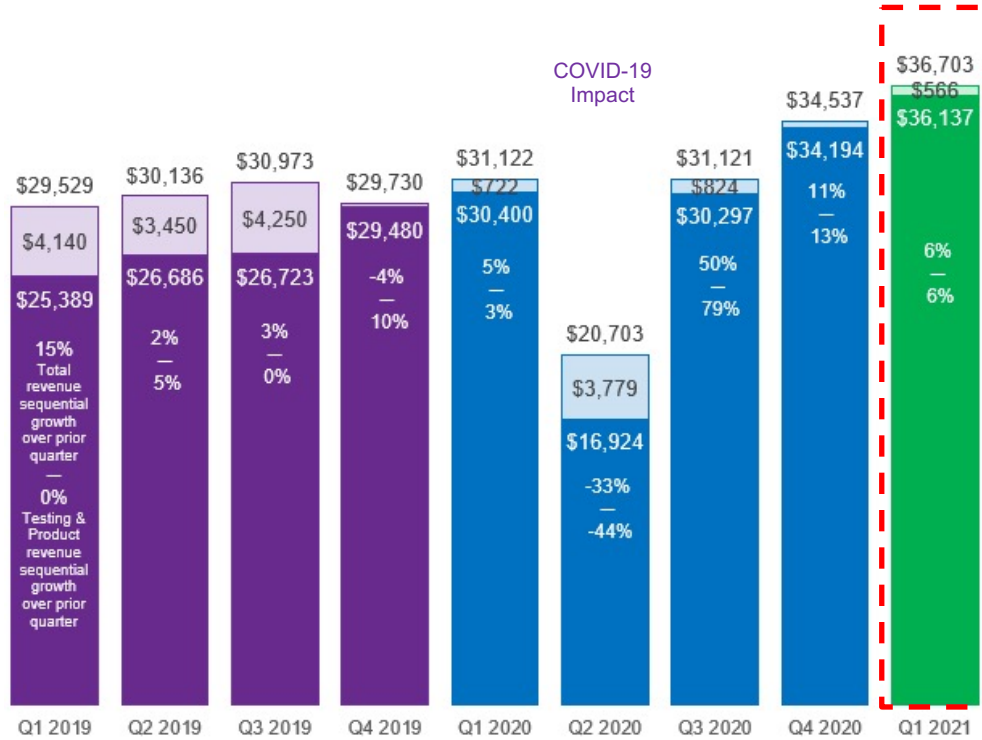
Benchmark			Testing Revenue	Product Revenue	Testing + Product Revenue	Biopharma and Collaboration Revenue	Total Revenue
	+ PY Variance - PY Variance	+ PY Variance - PY Variance					
Actuals Q1 2021 ¹			\$33,078	\$3,059	\$36,137	\$566	\$36,703
As % Of Total Revenue			90%	8%	98%	2%	100%
Prior Year			\$26,991	\$3,409	\$30,400	\$722	\$31,122
	+\$6,087	+23%		-\$350 -10%	+\$5,737 +19%	-\$156 -22%	+\$5,581 +18%
As % Of Total Revenue			87%	11%	98%	2%	100%

¹ Actuals include \$3,820 of testing revenue from the Decipher acquisition as of March 12, 2021.

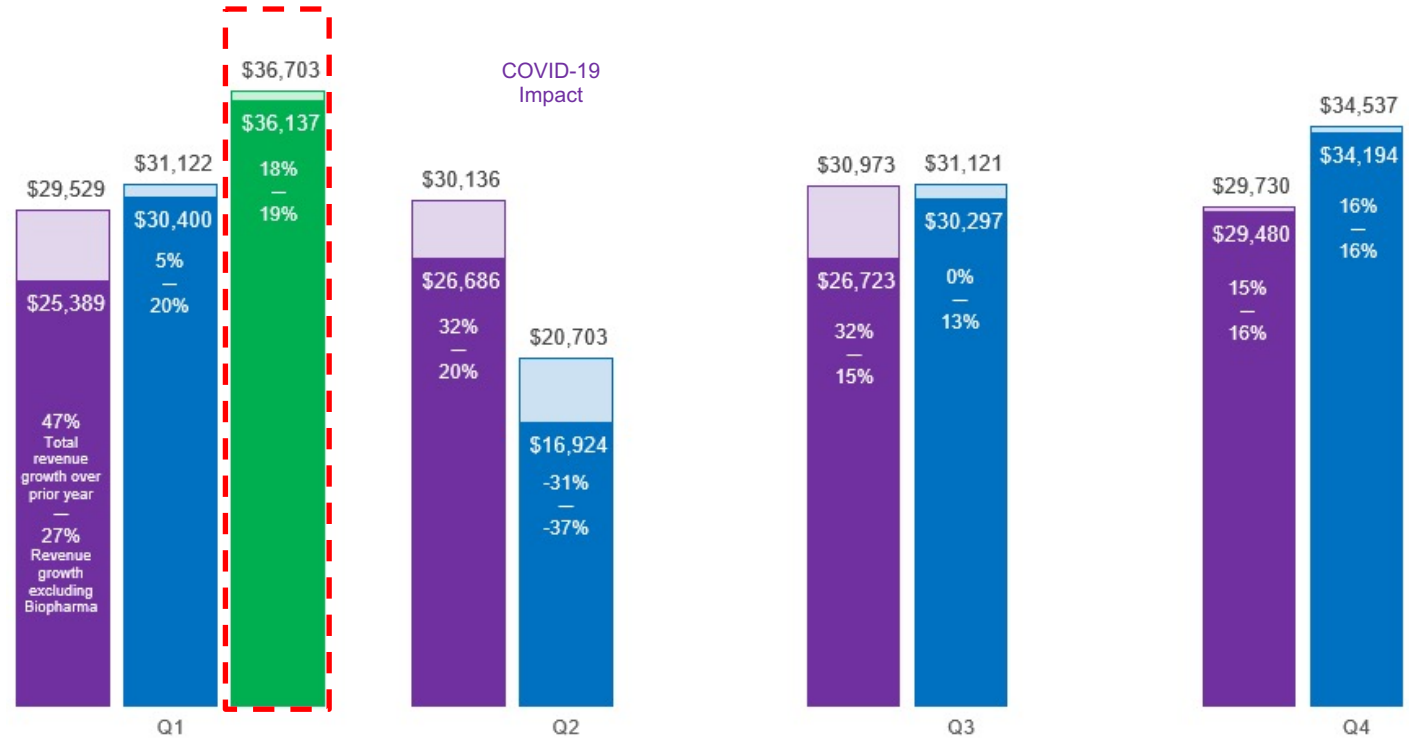
Revenue

(In thousands)

Sequential Quarterly Revenue



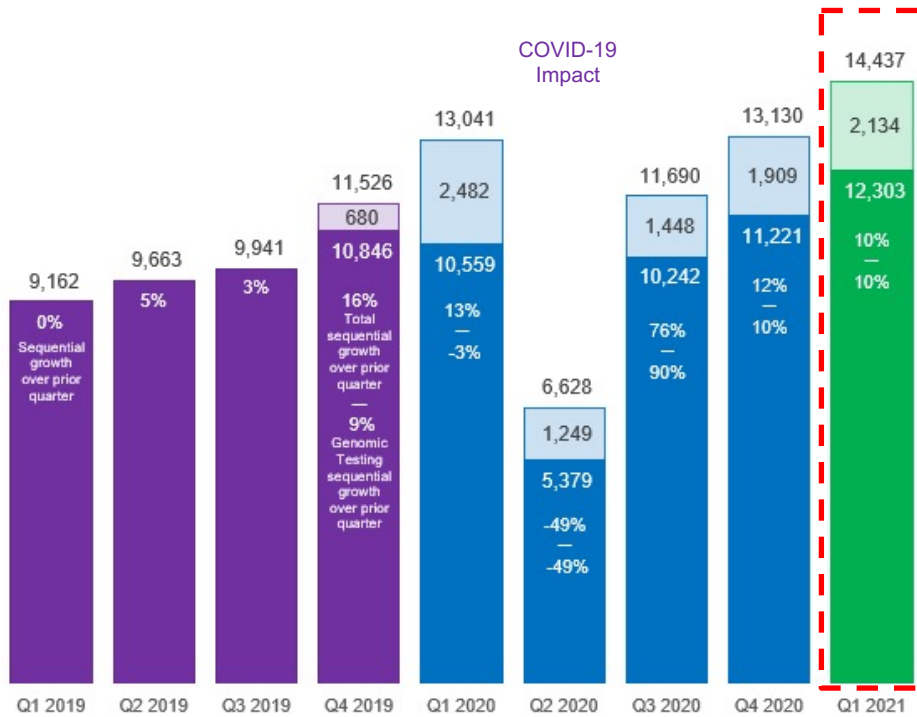
Year-over-Year Revenue



■ 2019 Biopharma & Collaboration
 ■ 2019 Testing + Product
 ■ 2020 Biopharma & Collaboration
 ■ 2020 Testing + Product
 ■ 2021 Biopharma & Collaboration
 ■ 2021 Testing + Product

Total Volume¹

Sequential Quarterly Volume



Year-over-Year Quarterly Volume

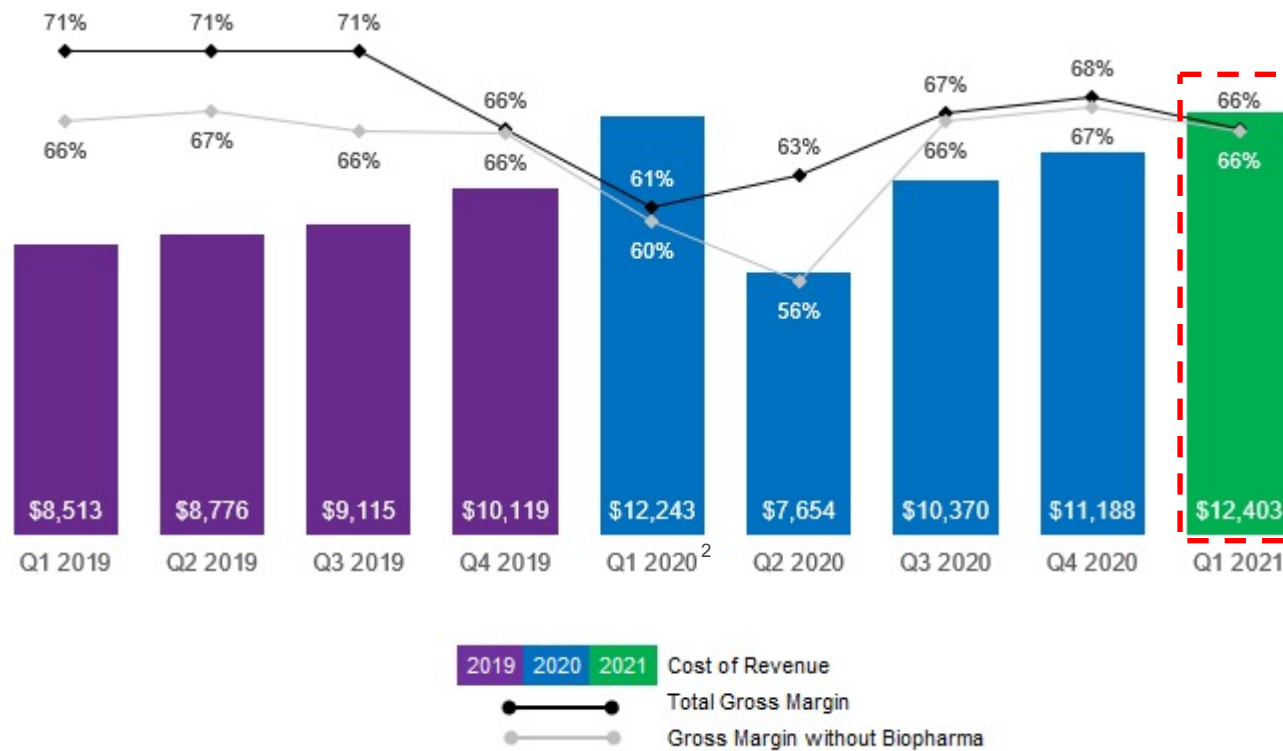


2019 Product Volume
 2020 Product Volume
 2021 Product Volume
 2019 Genomic Volume
 2020 Genomic Volume
 2021 Genomic Volume

¹ Total Volume includes commercial volumes for our Afirma, Percepta, Envisia, and Urology genomic classifiers and Prosigna Breast Cancer Prognostic Gene Signature Assay. Clinical and registry volumes are not included.

Cost of Revenue + Gross Margin

Quarterly Cost of Revenue¹ + Gross Margin

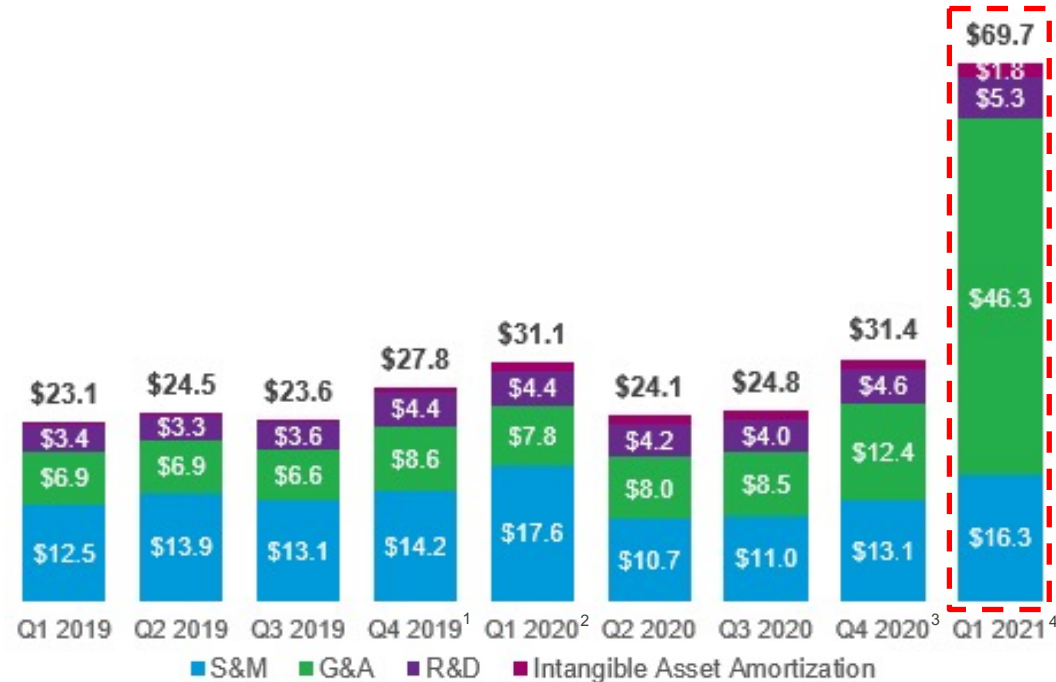


¹ Amounts in thousands.

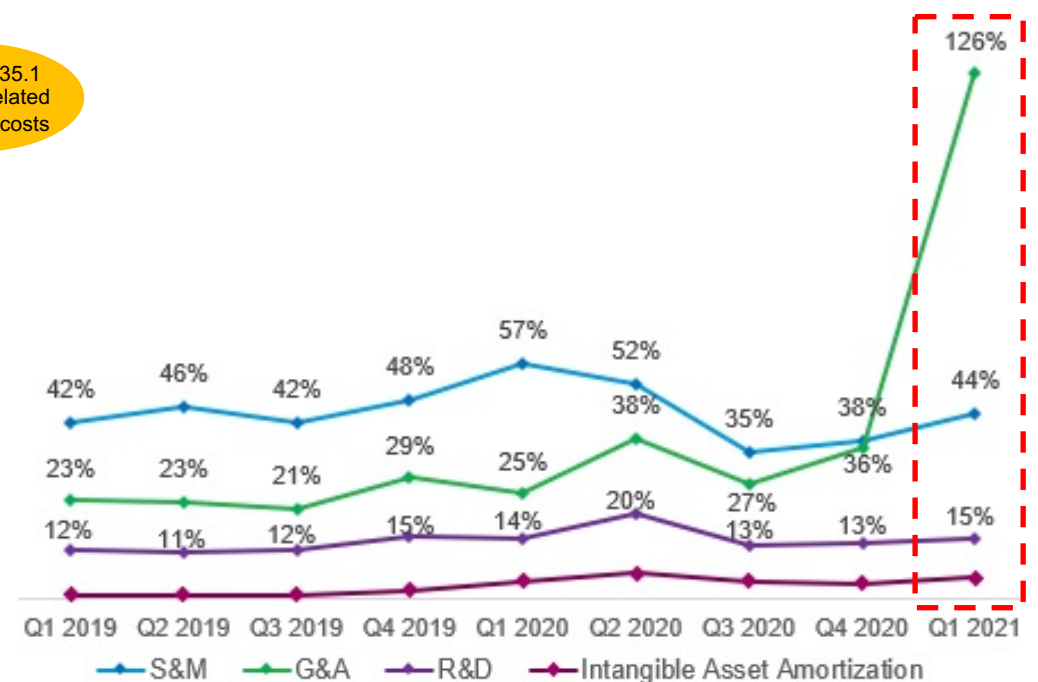
² In the first quarter of 2020, due to the expected impact of the global pandemic on our expected test volumes, we recognized a \$1.1 million write-down of supplies that we recorded in cost of revenue.

Operating Expenses

Operating Expenses⁵



% of Revenue



¹ In Q4 2019, G&A includes \$1.5 million in transaction costs for the NanoString acquisition.

² In Q1 2020, S&M increased \$5.1 million or 41% compared to the same period in 2019 principally due to a 60% increase in average headcount.

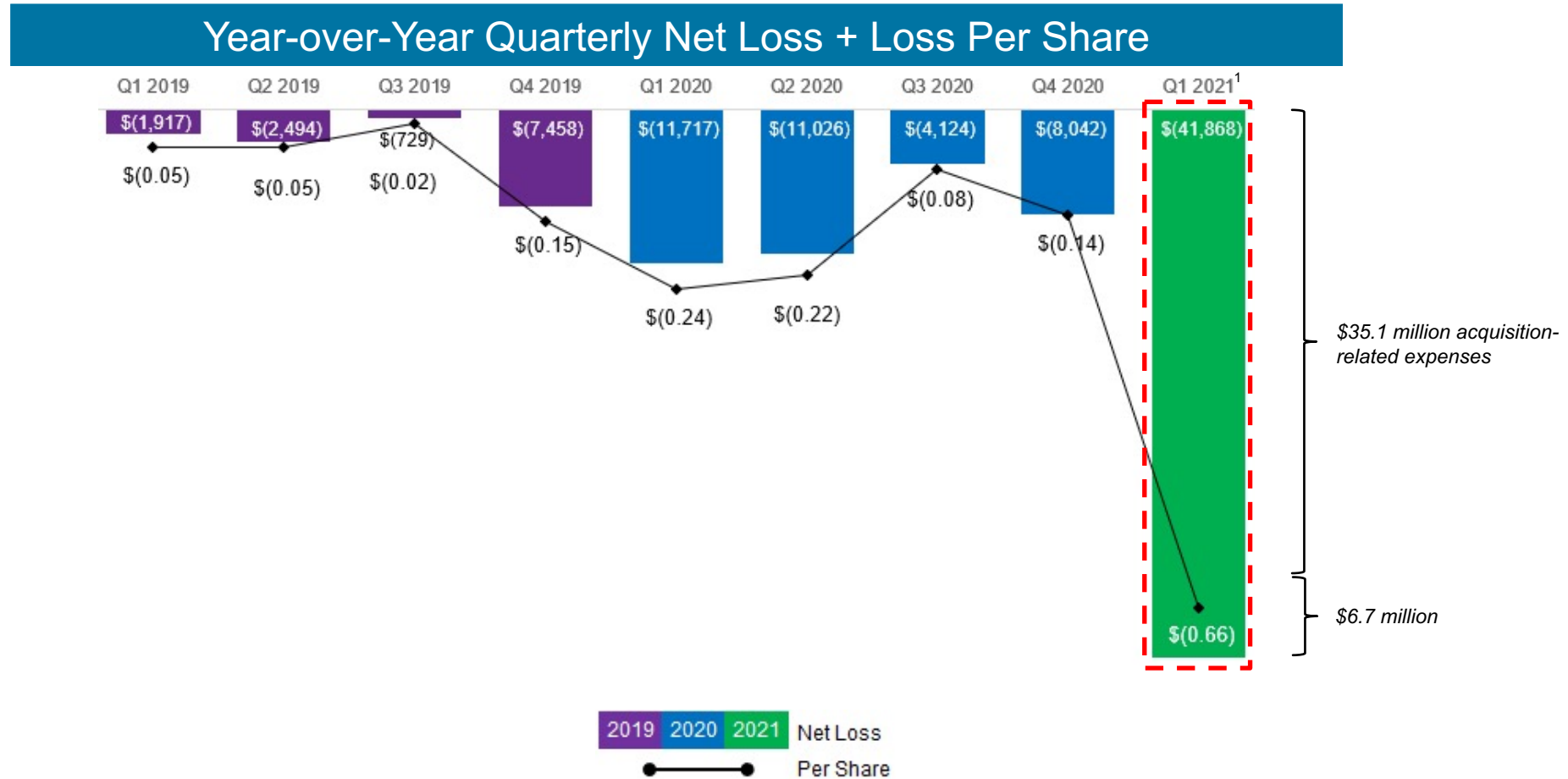
³ In Q4 2020, G&A increased \$3.8 million or 44% compared to the same period in 2019 principally due to contingent consideration associated with the December 2019 Nanostring acquisition and an impairment charge associated with our investment in MaviDX.

⁴ In Q1 2021, G&A increased \$38.5 million or 494% compared to the same period in 2020 principally due to \$35.1 million in Decipher-related acquisition costs.

⁵ Amounts in millions. Operating expenses rounded and summarized as presented.

Net Loss

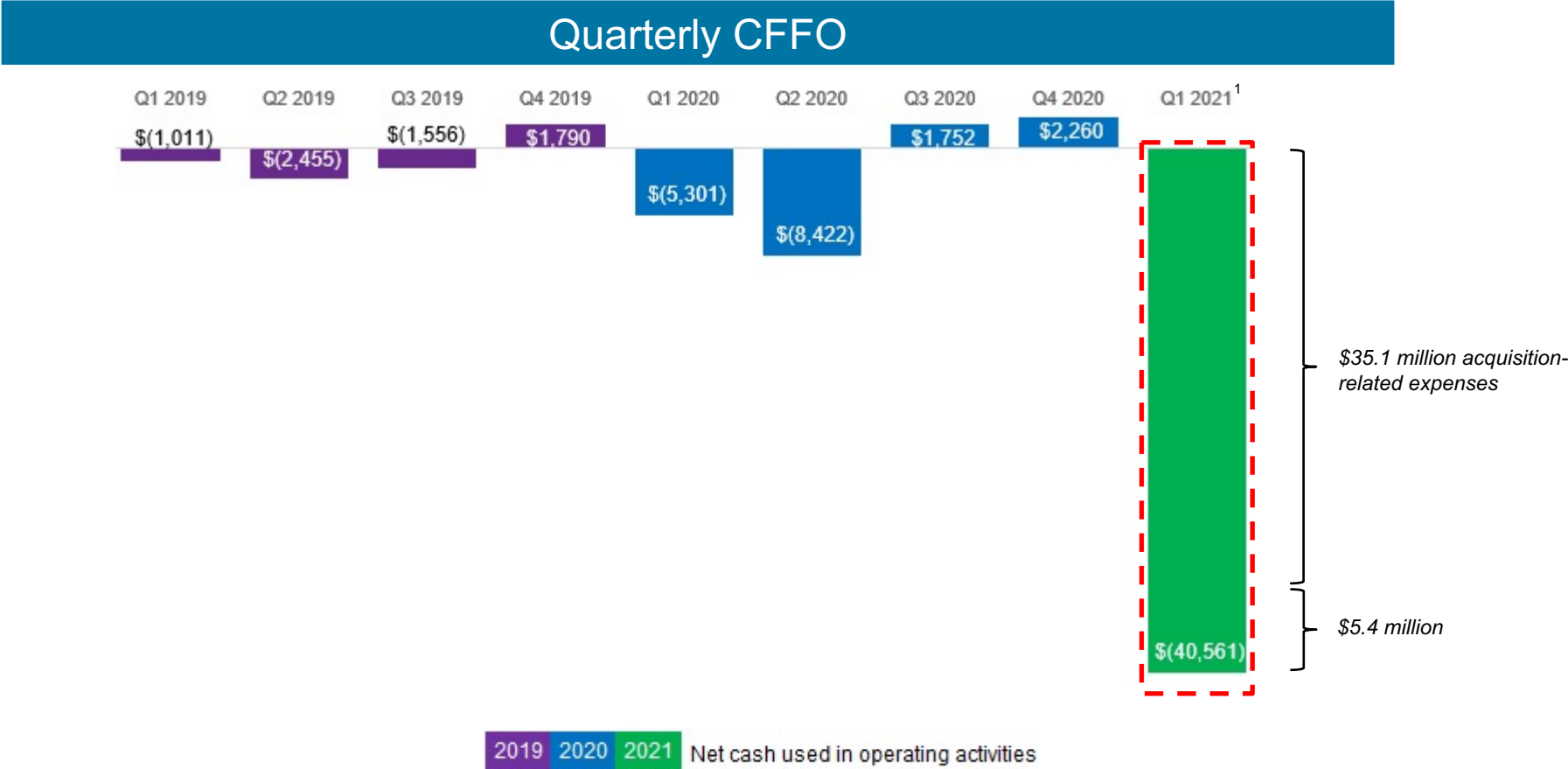
(In thousands, except per share amount)



¹ Includes Decipher acquisition related expenses of \$35.1 million, which includes \$10 million in transaction expenses and \$25.1 million in compensation expense from the acceleration of stock options.

Cash Flow From Operations

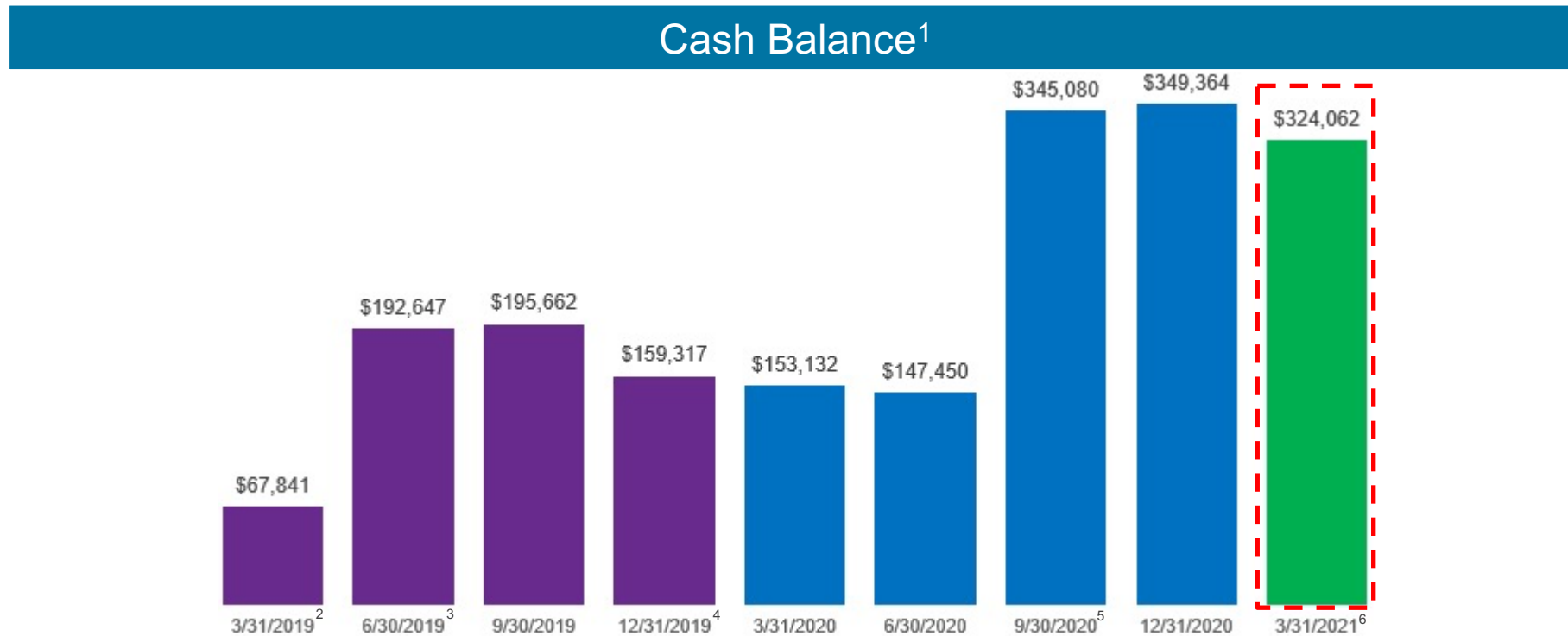
(In thousands)



¹ Includes Decipher acquisition related expenses of \$35.1 million, which includes \$10 million in transaction expenses and \$25.1 million in compensation expense from the acceleration of stock options.

Cash Balance

(In thousands)



¹ Cash and cash equivalents, excluding restricted cash.

² In January 2019, the Company paid down \$12.5 million in long term debt partially offset by \$4.2 million in option exercises and ESPP purchases.

³ In May 2019, the Company completed a public offering of 6.3 million shares of its common stock, raising \$137.8 million in net cash proceeds partially offset by paying down \$12.4 million in long term debt.

⁴ In December 2019, the Company paid NanoString Technologies, Inc. \$40.0 million in cash consideration for the acquisition of the exclusive global diagnostic license to the nCounter® platform for diagnostic use, as well as the acquisition of NanoString's Prosigna® breast cancer prognostic test and in-development LymphMark™ lymphoma subtyping assay.

⁵ In August 2020, the Company completed a public offering of 6.9 million shares of its common stock raising approximately \$193.8 million, after deducting underwriting discounts and commissions and offering expenses of \$13.2 million.

⁶ In February 2021, the Company completed a public offering of 8.5 million shares of its common stock raising approximately \$593.8 million, after deducting underwriting discounts and commissions and offering expenses. In March 2021, the Company acquired Decipher Biosciences for \$594.7 million in cash.